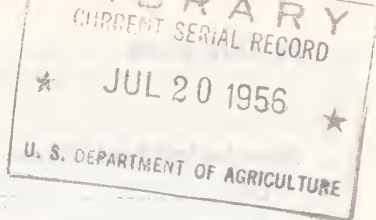


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# Agricultural Situation

JULY 1956

Vol. 40, No. 7

Agricultural Marketing Service  
U. S. Department of Agriculture

## HOW SOIL BANK RESERVE WORKS



### Bank Your Soil and Earn Money.

Let some of your land rest . . . Build up your soil . . . Cut down on surpluses . . . Help yourself get better farm prices . . . That's the general idea of the Soil Bank now getting underway this year.

Before we get specific about the 6 crops covered by this new program, here are 3 important general reminders:

- To benefit you must comply with acreage allotments.
- This will *not* affect the future establishment of State, county, or farm bases or allotments.
- The same acreage cannot be designated for both the Acreage Reserve and Conservation Reserve.

Now, let's take a closer look at the two parts of the Soil Bank.

1. Acreage Reserve—to reduce surpluses of wheat, corn, cotton, peanuts, rice, and tobacco by voluntarily adjusting acreages below established "allotments" and the "Soil Bank corn base acreage."

In 1956, this reduction may be accomplished by underplanting, by loss through natural destruction, or by plowing or otherwise incorporating into the soil the crop before the deadline.

Acreage Reserve agreements for the 1956 program must have been signed by the farmer not later than July 20, 1956.

2. Conservation Reserve—to cut back excess production of crops in general by shifting acreage to long-range conservation uses.

The Soil Bank does not take the place of any other national farm programs,

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Articles In This Publication

**Editor: Jack L. Flowers**  
**Assistant: Marcelle Masters**

The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work.

such as acreage allotments, price supports, or the Agricultural Conservation Program. These programs will continue.

Farmers taking part in the Soil Bank program will designate (in agreements or contracts with the U. S. Department of Agriculture) the specific acreage to be included in the Acreage Reserve, the Conservation Reserve, or both. The same acreage, however, may not be selected under both parts of the program.

Farmers should not go ahead with action to participate in the Soil Bank until they have checked with their local county Agricultural Stabilization and Conservation Committee.

The 1956 Acreage Reserve program is a special program designed to meet the time limitations and requirements of the legislation for 1956.

In the next 4 pages we will give you some of the highlights of the 1956 farm programs for corn, cotton, wheat, rice, peanuts, and tobacco. For more complete information, see your local ASC Committee.

## CORN—in the Bank

A Soil Bank corn base acreage in 1956 of 51 million acres replaces the 1956 corn acreage allotment of 43,280,540 acres (for the Soil Bank and in the determination of eligibility for corn price support) for the 840 commercial corn counties.

Farmers in the commercial corn area may qualify for the maximum price support for corn by:

- Complying with their corn acreage allotments (already established), or

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● **Complying with the new Soil Bank price-support requirements for corn price support.**

Any farmer who meets the general requirements (be sure you check with your local ASC Committee), for participation in the Acreage Reserve may earn payments by:

1. Underplanting your corn base and certifying that this was done (a) in anticipation of complying with the 1956 Acreage Reserve or (b) because of adverse weather conditions; or

2. Complying with your corn base, and not harvesting an acreage of the crop because of destruction by natural causes; or

3. By plowing or otherwise physically incorporating the crop into the soil, or clipping, mowing, or cutting an acreage of corn within the Soil Bank base acreage.

Acreage adjustment for Acreage Reserve participation must be done by the final date established by the State ASC Committee.

For underplanting the corn base, the payment rate will be based on the normal yield for the designated acreage.

For destruction due to natural causes, or plowing or otherwise physically incorporating the crop into the soil, or for clipping, mowing, or cutting the crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

## **COTTON—in the Bank**

The national acreage allotment for the 1956 crop of upland cotton is 17,391,304 acres. Since marketing quotas for the crop were approved by growers voting in a referendum held December 13, 1955, quotas and penalties on "excess" cotton are in effect for the 1956 crop. The quota penalty is 50 percent of the June 15, 1956, parity price.

The minimum level of price support for the 1956 crop of upland cotton, announced April 17, 1956, is 28.85 cents per pound, basis Middling  $\frac{7}{8}$ -inch,

gross weight at average location. If 82½ percent of the parity price on August 1, 1956, is higher, the level of price support will be increased accordingly.

Any farmer who meets the general requirements (be sure and check with your local ASC Committee) for participating in the 1956 Acreage Reserve may earn payments by:

1. Underplanting his allotment for cotton and certifying that he underplanted either in anticipation of complying with the 1956 Acreage Reserve or because of adverse weather conditions; or

2. Not exceeding his farm allotment for cotton, and not harvesting an acreage of the crop because of destruction by natural causes; or

3. Plowing or otherwise incorporating into the soil, or clipping, mowing, or cutting an acreage of cotton within the allotment.

Acreage adjustment for Acreage Reserve participation must be done by the final date established by the State ASC Committee.

Payments which a farmer may earn for participating in the Acreage Reserve will be based on a rate of 15 cents per pound.

For underplanting the cotton allotment, the payment rate will be based on the normal yield determined by the county ASC Committee.

For destruction due to natural causes, or plowing or otherwise physically incorporating the cotton crop into the soil, or for clipping, mowing, or cutting the cotton crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

## **WHEAT—in the Bank**

Acreage allotments based on a national allotment of 55 million acres are in effect for the 1956 wheat crop. Marketing quotas which were approved by wheat producers are in effect on the 1956 crop of wheat. However, in the 12-State noncommercial wheat area,



there are no acreage allotments or marketing quotas.

In the commercial wheat-producing area, producers, in compliance with acreage allotments, will be eligible for price support based on the national average price of \$2 per bushel, with county rates ranging from \$1.69 to \$2.27 per bushel for U. S. No. 1 Grade wheat.

In addition to the general requirements (be sure and see your local ASC Committee), here are some specific qualifications for participation in the Acreage Reserve for wheat:

1. If the wheat acreage allotment is underplanted and the wheat is spring wheat for harvest in 1956 and the farmer certifies that the underplanting was due to (a) anticipation of the 1956 Acreage Reserve for wheat; (b) or because of adverse weather conditions, the payment will be based on the normal yield as determined by the ASC County Committee for the designated acreage. The rate of payment is the local rate based on the national average rate of \$1.20 per bushel.

2. If the wheat is winter wheat planted for harvest in 1956 and the acreage seeded in the fall of 1955 was less than the farm allotment and the farmer certifies that the underplanting was because of adverse weather conditions, the payment rate is \$4 per acre.

3. If the compliance with the Acreage Reserve is by plowing or otherwise physically incorporating the crop into the soil, or by clipping, mowing, or cutting the wheat crop, or by destruction from natural causes, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

Acreage adjustment for Acreage Reserve participation must be done by the final date established by the State ASC Committee.

## **RICE—in the Bank**

The national acreage allotment for the 1956 crop of rice is 1,639,084 acres, announced December 30, 1955. Since the Soil Bank provides that no State

acreage allotment for 1956-crop rice shall be less than 85 percent of the State's 1955 allotment, about 13,500 acres will be added to the national acreage allotment, mostly for increasing the State allotments for Louisiana and California. This additional acreage will be passed along to producers for 1956.

Since marketing quotas were approved by growers voting in a referendum held January 27, 1956, quotas and penalties on "excess" rice are in effect for the 1956 crop. The quota penalty is 50 percent of the June 15, 1956, parity price.

The minimum level of price support for the 1956 rice crop is \$4.50 per hundredweight. If 82½ percent of the rice parity price as of August 1, 1956, is higher, the support price will be increased accordingly.

In addition to the general qualifications (be sure and see your local ASC Committee), specific requirements for any farmer participating in the Acreage Reserve to earn payments are:

1. Underplanting his allotment for rice and certifying that he underplanted either in anticipation of complying with the 1956 Acreage Reserve or because of adverse weather conditions; or

2. Complying with his farm allotment for rice, and not harvesting an acreage of the crop because of destruction by natural causes; or

3. Plowing or otherwise incorporating into the soil, or clipping, mowing, or cutting an acreage of rice within the allotment.

Acreage adjustment for Acreage Reserve participation must be done by the final date established by the State ASC Committee.

Payments which a farmer may earn for participating in the Acreage Reserve will be at a rate of \$2.25 per hundredweight.

For underplanting the rice allotment, the payment rate will be based on the normal yield for the designated acreage.

For destruction due to natural causes, or plowing, or otherwise physically in-

corporating the crop into the soil, or for clipping, mowing, or cutting the rice crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than \$6 per acre.

## PEANUTS—in the Bank

Acreage allotments based on a national acreage of approximately 1,650,000 acres are in effect for the 1956 peanut crop. Marketing quotas also are in effect on the 1956 peanut crop.

Producers in compliance with acreage allotments will be eligible for price support based on the minimum national average price of \$225.60 per ton.

### Exceptions

Producers of Virginia and Valencia type peanuts will not be eligible to participate in the 1956-crop acreage reserve. Acreage allotments for these types of peanuts were increased for 1956 because of a shortage in the supply.

The information on peanuts that follows affects only producers of peanuts other than those of the Virginia and Valencia types.

In addition to the general requirements (be sure and check with your local ASC Committee), special qualifications include:

Any peanut grower with a peanut acreage allotment, except that producers of Virginia and Valencia types, who otherwise complies with the provisions of the Acreage Reserve may be eligible for payment if:

1. He has underplanted his peanut allotment and certifies that he underplanted (a) in anticipation of complying with the 1956 Acreage Reserve or (b) because of adverse weather conditions.

2. He has complied with his farm allotment for peanuts; but an acreage of the crop was not harvested because of destruction by natural causes.

3. He plows or otherwise physically incorporates the crop into the soil, or clips, mows, or cuts the crop.

Acreage adjustment for Acreage Reserve participation must be done by the final date established by the State ASC Committee.

The basic payment rate per pound is 3 cents.

1. If the peanut allotment is underplanted, the payment will be based on the normal yield for the farm.

2. If the land in the peanut Acreage Reserve is qualified by destruction of the crop by natural causes or by plowing or otherwise physically incorporating the crop into the soil, or clipping, mowing, or cutting, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm but not less than \$6 an acre.

## TOBACCO—in the Bank

Acreage allotments and marketing quotas are in effect in 1956 for all kinds of tobacco except Pennsylvania and Puerto Rican cigar filler and shade-grown wrapper.

Acreage allotments for 1956 crops of flue-cured, and cigar filler and binder tobaccos are about 12 percent below the 1955 level. Allotment reductions announced in November 1955 were canceled by Public Laws 425, 426, and 427, 84th Congress, restoring allotments to the 1955 level for burley, fire-cured, and dark air-cured tobaccos, and to the 1953 level in the case of Maryland tobacco.

### Maryland Tobacco

Growers failing to comply with their tobacco allotments are ineligible for price support on tobacco and also for Soil Bank payments.

In addition, growers must pay penalties equal to 75 percent of the preceding season's average market price on excess marketings.

In addition to the general qualifications (be sure and see your local ASC



Committee), the 1956 Soil Bank program contains special provisions and payments enabling farmers to participate this year. Any tobacco grower who otherwise complies with the provisions of the Acreage Reserve may be eligible for payment if:

1. He underplanted his tobacco acreage allotment and certifies that he underplanted (a) in anticipation of participating in the 1956 Soil Bank tobacco Acreage Reserve or (b) because of adverse weather conditions.

2. He has complied with his farm acreage allotment for tobacco, but an acreage of the crop was not harvested because of destruction by natural causes (floods, hail, drought, etc.).

3. He plows or otherwise physically incorporates the crop into the soil, or clips, mows, or cuts the crop.

Acreage adjustment for Acreage Reserve participation must be done by the final date established by the State ASC Committee.

The payment a tobacco grower may earn by taking part in the Acreage Reserve for tobacco is determined by multiplying the base unit rate per pound by the yield determined by the county ASC Committee. The maximum payment for any farm will be based on a yield no greater than 115 percent of the national yield for that kind of tobacco.

If the tobacco acreage allotment is underplanted, the payment will be based on the normal yield of the farm, but in no case on a yield greater than 115 percent of the national yield for that kind of tobacco.

If the compliance is from natural destruction of the crop or from plowing or otherwise incorporating the tobacco into the soil, or by mowing, or cutting, or clipping the crop, the payment will be based on the smaller of the appraised yield for the field or the normal yield for the farm but not less than \$6 per acre.

## CRIMSON CLOVER SEED FORECAST GIVEN FOR SOUTHERN STATES

A total of 12,100,000 pounds of crimson-clover seed is expected to be produced in the Southern States this year, according to the Crop Reporting Board of the Agricultural Marketing Service.

This would be 64 percent more than last year's small crop of 7,375,000 pounds, but a third below the 10-year average production in the South.

Reseeding varieties—Dixie, Autauga, Auburn, and others—represent 7,058,000 pounds, or about 58 percent of the 1956 production compared with 3,434,000 pounds or 47 percent of the 1955 production.

In each of the Southern States, a larger crop than last year is forecast, with Georgia, Alabama, and South Carolina expecting about  $2\frac{1}{2}$  times more than last year.

Indicated increases in other States are: Mississippi, 75 percent; Tennessee, 23 percent; and Arkansas, 10 percent.

However, production is much below average in 5 of the 6 States. Only in Arkansas, where this crop is relatively new, is production larger than average.

Although acreage for harvest, estimated at 83,000 acres, is a third more than in 1955, it is about a fourth less than average. Dry weather last fall held down plantings of crimson clover and also resulted in many poor stands, particularly in Georgia, Tennessee, and Alabama.

Yields in general were only fair. The indicated average yield per acre of 146 pounds for the 6 States is 27 pounds above last year, but 26 pounds below average.

Carry-over of old crimson-clover seed on farms is estimated at 276,000 pounds compared with 421,000 pounds last year and the 10-year average of 388,570 pounds. A report covering dealer-held stocks as of June 30 will be issued on August 2.



# "Bert" Newell's Letter

Time sure did slip up on me this past month. It seemed like it was May and then all at once it was in the middle of July and we had turned the half way point in 1956. Maybe it was because we just didn't seem to have any spring around here. It stayed cool and sometimes downright cold, until all at once it was midsummer and temperatures were hanging around the 90's.

Whatever the reason, we are again in the middle of summer and our regular program is under full steam. As usual we have our problems—dry some places, wet others. It's hard to keep up with the rapid change and variation from one area to another. Of course, it wouldn't be possible at all if it were not for the prompt help you folks give us with the return of your schedules.

I was in Indiana a few weeks ago and met with several crop reporters. Some of them had been reporting regularly for 30 or 40 years, and then others were fairly new at the game. We were visiting about one thing and another and discussing crop conditions when one man remarked that he just couldn't understand how we got all of the information together in such a short time. It is a short time and we have to make every minute count from the time you make out your schedule until the report is released. Since my Indiana friend raised the question, I thought it might be interesting to all of you if I gave a little quick summary of what happens after you get your monthly schedule.

As you know, along about the first of each month you get a questionnaire. If you fill it out and mail it promptly, it gets back to the State Statistician's office in a day or two. As rapidly as the schedules are received, they are opened and passed on to tabulating clerks. This process continues for about four days when the sheets have to be closed.

After the reports are all added and the averages computed, the material is turned over to the Statisticians for their analysis. These men are familiar with every part of the State and, in fact, have probably spent several days observing crops, talking with crop reporters, and any others who are informed as to current conditions. They analyze the reports, and mail their recommendations to the Washington headquarters. These reports are air mailed special delivery so that minimum time is lost in the process.

When the 48 States' reports are received in Washington, special precautions are taken to assure their prompt delivery and protection until time for the official release. It would take too long to go into all of the security measures that are taken at this end. That's another story I'll tell you some other time. For now I will just say that the reports are summarized here in Washington behind locked doors. The summaries are made, the report is written, and the release is made at exactly the same time to everybody. For the general report this is at 3 p. m. usually on the tenth of each month and for cotton at 11 a. m. on the eighth of the month.

Now, when you consider that 40 or 50,000 farm reports have been summarized, and a final report completed and released to the public, in 10 days for the general and 8 days for cotton, you can readily understand that there is no time to be wasted at any point in the process. As a matter of fact, the field offices and the staff in Washington work all hours through the day and night if necessary with just one thought in mind, the report must go out at the scheduled time.

So you see that is why we are always bringing up this matter of mailing the report promptly. You are a vital part of this whole system and we appreciate the swell job you're doing in helping to provide the vital information that everyone depends upon.



S. R. Newell  
Chairman, Crop Reporting Board, AMS

# BROILERS BRING BEST PRICES WHEN MARKETINGS ARE LARGEST

Prices of broilers in mid-summer are generally above their annual average, yet in that season of the year broiler marketings reach their peak.

How to explain this paradox takes us back to the riddle of the hen and the egg, and in this case the egg comes first—or the chick.

Producers of commercial broilers generally place (start in brooder houses) most chicks in the spring, fewest in the fall. It currently takes from 9 to 11 weeks to bring a chick to marketable weight. Chicks hatched in April reach market about July.

Fortunately for producers, summer is the season during which consumers prefer less fatty foods. And they like broilers for outdoor cooking because the birds are easy to prepare. Another point in their favor is that a time of low marketings and of high seasonal

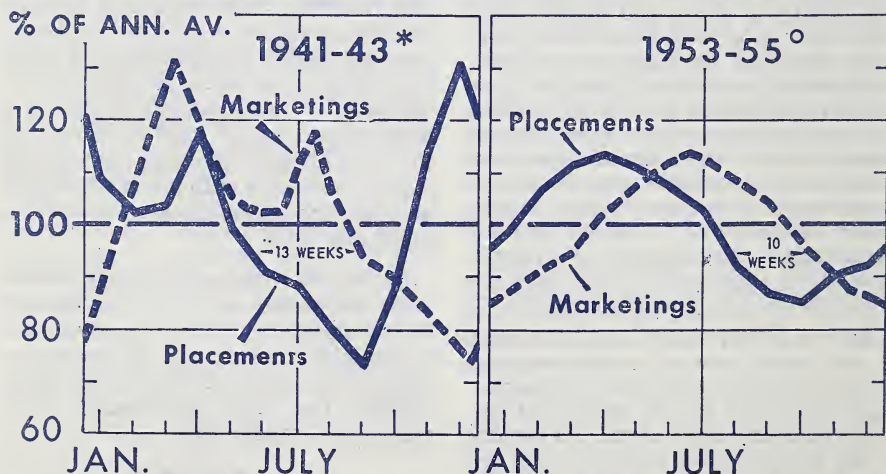
prices of other meat animals occurs during these summer months.

During the last dozen years the seasonal pattern of broiler chick placements has changed. In the early 1940's there were two seasonal peaks in chick placements—April and December. Marketings reached peaks in March and July, and extreme seasonal changes occurred within the year.

In recent years, placements are more evenly distributed throughout the year, though we still have marked seasonal changes from April to October. In the last few years, average placements have had but one peak each year. Placements increased steadily from a low point in October until April, and then declined to October, when the annual cycle was resumed.

Why do producers place most chicks in spring, fewest in fall?

## SEASONAL CHANGES IN BROILER PLACEMENTS AND MARKETINGS



\*BASED ON PLACEMENTS IN THE DEL-MAR-VA AREA.

°BASED ON PLACEMENTS IN 11 STATES (1953), 13 STATES (1954), AND 22 STATES (1955)

One of the reasons, of course, is that attractive July-August market in which broilers bring high average prices.

But producers have another reason for concentrating on spring placings: It's the nature of the fowl. Hatching eggs are plentiful in the spring, supplies fall off from July to October. Then, too, the percentage of fertile eggs declines toward the end of the laying season.

Finally, supplies of beef, pork, farm chickens, and turkeys increase, and depress the demand for broilers.

So Mother Nature and the market place both contribute to charting the course that producers have been following the last few years.

Martin J. Gerra  
*Agricultural Economics Division, AMS*

## Incentive Payments for Wool Are Largest For Growers Who Get Best Market Prices

Are you wool growers getting all the money due you? Well, it's possible some of you are not getting the best price possible for your wool.

Prices received by farmers for shorn wool sold during the 1955 marketing year (April 1955-March 1956) averaged 42.8 cents per pound, the Crop Reporting Board announced.

Reports received by the U. S. Department of Agriculture point out that some of you wool growers think that under the incentive payment program it makes no difference what you sell your wool for, and that the Government will make up the difference between your individual price and the 62-cent incentive level.

Well, that's just not the way it works. Officials in the USDA say that incentive payments to wool growers are to be made at one percentage rate for the country as a whole, and therefore the higher the price the individual grower gets for his wool in the market, the greater his incentive payment will be.

Now, here's an example of how it works. The U. S. average price for the marketing year was 42.8 cents, the payment rate with the incentive level at 62 cents is 44.9 percent. So the grower who sold his wool for 30 cents a pound will get an incentive payment equivalent to only a little over 13 cents, bringing the total income from his wool including the payment to around 43 cents, whereas the grower who was able to sell

his wool for 50 cents will get an incentive payment equivalent to over 22 cents, which would bring the total income from his wool including the payment to around 72 cents.

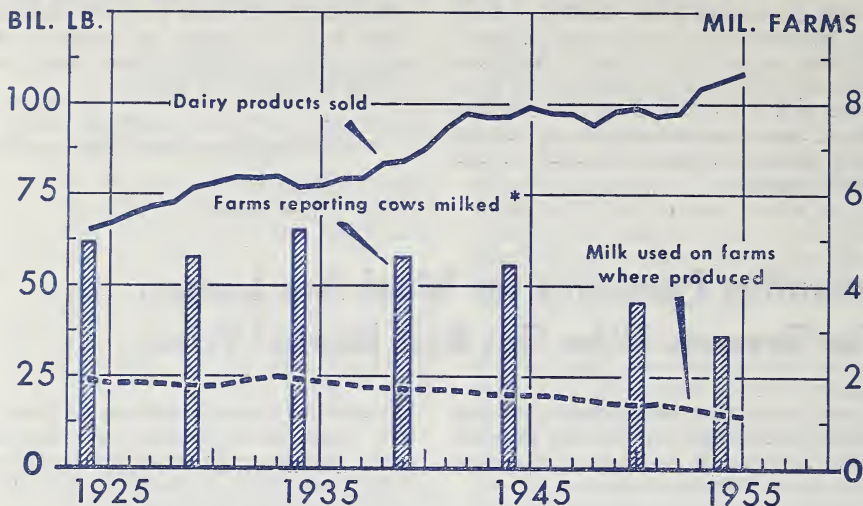
Prices in the world markets began to decline when the 1954-55 British Dominion marketing season opened in September 1954. Larger supplies of raw wool resulting from the slackening in demand plus an increase in world production were factors in the decline. During 1955, world consumption picked up, and with indications of further increases for the first quarter of this year, production and consumption are now in better balance.

Mill consumption of apparel wool in the United States during the first quarter of this year was 12 percent greater than during the same period of last year. Imports for the quarter were up 18 percent. Trade reports indicate that orders to mills for wool fabrics are substantially larger than a year ago, with worsted all-wool fabrics for the higher-priced garments showing the greatest increase.

So, consider these and all other factors affecting the general wool situation when marketing your wool. Even with the assured incentive payments, you growers still stand to benefit doubly by getting the best price possible for your wool in the open market—you benefit at once in the larger immediate cash returns and again later in the larger incentive payment.



# FARMERS' SALE AND USE OF MILK



\* DATA FROM THE BUREAU OF THE CENSUS. 1924-44, COWS MILKED ALL OR ANY PART OF YEAR; 1950, MILK COWS, APRIL 1; 1954, MILK COWS, FALL INVENTORY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. 3201-56 (5) AGRICULTURAL MARKETING SERVICE

AS FARMERS shifted from horses to tractors for power, a lot of grain and hay were freed for direct sale or for use in producing items for sale. In the dairy business, a development with similar consequences has occurred.

With fewer farms producing milk for sale, the number of people using milk on such farms has been reduced, and a correspondingly larger volume has reached commercial channels. This shift, however, has not been made without contributing some market dislocations since people living off of farms which produce milk commonly consume less milk products than do people living on dairy farms.

Other developments with dairy market consequences are the decline in sales of farm-made butter and cheese, and in the processing of fluid milk and cream for sale directly by farmers.

The net effect is that farm sales of milk have increased from 65 billion pounds in 1924 to 109 billion in 1955, an increase of 44 billion pounds. In the same period, production increased from 89 billion to 123 billion, a gain of 34 billion. Of the 15 billion pounds re-

tained on farms in 1955, 3.3 billion were fed to calves, 8.3 consumed in fluid form, and 3.4 billion consumed as farm-made butter. In 1924, a total of 24 billion pounds were retained on farms.

A striking shift has occurred in the form in which milk is sold, aside from the declining importance of retail sales of milk and cream and the drop in sales of farm-made butter. This is the decline in milk equivalent of farm-separated cream from around 35 billion pounds 20 years ago to 15 billion in 1955. On the other hand, whole milk sales increased from 26 billion in 1924 to 91 billion in 1955. In part, this reflects the increased outlet for the solids-not-fat portion of milk.

Milk is being produced on larger but fewer farms, as are many other farm products. The number of farms reporting milk cows declined 20 percent from 1950 to 1954. This trend probably is continuing, but milk sales per farm continue to show sharp increases. (For a brief discussion of this subject, see *The Agricultural Situation*, Vol. 40, No. 2, February 1956.)

H. C. Kriesel  
Agricultural Economics Division, AMS

Prices of both crops and livestock on the average have shown steady improvement since early this year. Seasonally smaller marketings of some commodities, particularly hogs, small supplies outside of CCC stocks of some price-supported commodities, and stronger foreign demand for others, have been responsible for the price recovery. Prices paid by farmers have been trending upward at a slower pace.

During the first 5 months of 1956, cash receipts from farm marketings totaled about 10 billion dollars, down slightly from the corresponding period in 1955. Prices averaged 5 percent below last year, but the volume of marketings was up a little.

## Livestock

Changes in meat animal marketings and prices in prospect for the summer months will be largely seasonal. Lighter supplies of fed cattle and of barrows and gilts will likely sell at higher prices than in past months. Cattle, calves, and sheep and lambs off grass will make up an increasing part of total marketings and their prices will likely decline seasonally. Total meat production will probably continue above a year earlier but by much less than the 11 percent registered the first 4 months this year.

## Dairy

Fluid milk consumption has continued to show a significant increase over a year earlier. Consumption of cream and cream mixtures increased in recent months after several years of declines. Consumption of skimmed milk items continues to show a sizable increase. As a result of increased fluid use, the amount of milk manufactured has been below a year earlier in the last several weeks.

Cash receipts from the sale of dairy products have been showing sizable increase over early 1955. For 1956 as a whole, cash receipts from dairy prod-

ucts will approach the record of 4.6 billion dollars reached in 1952.

## Poultry and Eggs

Egg prices probably will rise seasonally and remain above last year until late summer or early fall.

Weekly broiler chick placements in early June were slightly higher than those which provided slaughter supplies in April and May. However, strengthening seasonal demand for broilers and firmer prices for red meats may offset the price effects of larger supplies.

The number of turkeys now growing for slaughter later this year is a record.

## Fats and Oils

Flaxseed prices dropped about 50 cents per bushel, 12 percent, from mid-May to mid-June to a level slightly above the 1956 crop support prices. Present prospects indicate a large increase in exportable world supplies mostly from Argentina and Canada in 1956-57.

In mid-June, soybean prices were moderately less than a month earlier but about 25 percent above last year.

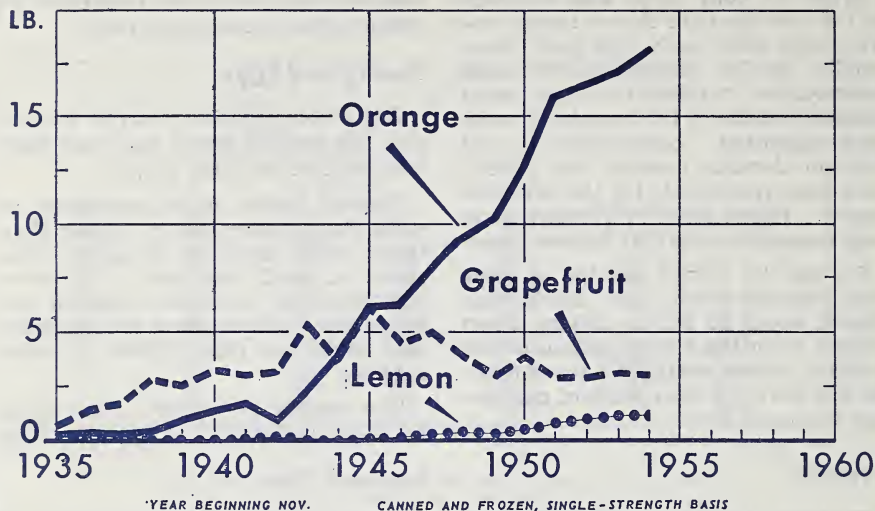
## Wheat

The 1956 wheat crop (estimated as of June 1 to be about 2 percent smaller than the 1955 crop) is about the same as prospective domestic use plus likely exports during the next 12 months. As a result, the July 1, 1957, carryover is not expected to be greatly different from this year's carryover.

## Wool

Consumption of wool in 11 of the major consuming countries during the first quarter of this year is estimated to have been about 10 percent above a year earlier. Use of other materials by the wool textile industries of these countries was up 7 percent from a year earlier.

## CITRUS JUICE CONSUMPTION



U. S. DEPARTMENT OF AGRICULTURE

NEG. 3354-56 (6) AGRICULTURAL MARKETING SERVICE

**T**HE ORANGE, like many other former luxuries, has become a staple and is now an ordinary item in our improved diets. But it has changed its form—it is now likely to be a can of frozen concentrated orange juice in the family freezer.

Other citrus juices have joined the orange juice in the freezer. We have frozen concentrated grapefruit juice and lemon juice, and frozen concentrate for lemonade.

Per capita consumption of canned and frozen citrus juices combined has increased sharply since 1942, mainly because of the upsurge first in canned orange juice and then in frozen orange juice. The total of over 22 pounds per capita in 1954-55 (single-strength basis) was composed of:

	Percent
Orange juice.....	82
Grapefruit juice.....	13
Lemon juice.....	5

On a fresh fruit basis, these three canned and frozen juices comprised about 22 percent of total fruit consumption in 1954-55.

## SPRING PIG CROP DOWN 8 PERCENT

The 1956 spring pig crop totaled 53,085,000 head, down 8 percent from last spring, the Crop Reporting Board announced.

Sows farrowing this spring totaled 7,650,000, also down 8 percent from last spring.

Pigs saved per litter were 6.94, a new record for spring farrowing.

Reports on breeding intentions indicate a total of 5,163,000 sows to farrow this fall, 7 percent less than last fall. If these intentions materialize and pigs saved per litter equal the 10-year average, with an allowance for upward trend, the 1956 fall pig crop would be about 35 million head. The combined spring and fall pig crops for 1956 would then be about 88 million head, or 8 percent less than last year.



# WHEAT ACREAGE ALLOTMENTS SET FOR 1957, BY STATES



State wheat acreage allotments for the 1957 crop which were announced by the U. S. Department of Agriculture represent each State's share of the national wheat acreage allotment of 55 million acres.

Kansas, with 10,615,188 acres, has the largest State allotment. Other leading wheat States, with their allotments are: North Dakota, 7,327,856 acres; Oklahoma, 4,878,623 acres; Texas, 4,149,071 acres; Montana, 4,042,623 acres; Nebraska, 3,234,827 acres; Colorado, 2,766,025 acres; South Dakota, 2,746,578 acres; and Washington, 1,994,450 acres.

## Little Change

State allotments are based on wheat acreages for the past 10 years, with adjustments for planting trends, weather, and other factors. Since this formula provides for the establishment of State acreage allotments in line with recent wheat production patterns, the 1957 allotments in principal wheat producing States do not differ greatly from those established last year, when the national allotment was also 55 million acres.

State Agricultural Stabilization and Conservation Committee (ASC) offices in commercial wheat States will determine county allotments on the same basis as the State allotments. The county allotments will then be broken down to individual farm allotments by County ASC Committees, with consideration being given to wheat production during the most recent years, tillable acres, crop rotation plans, type of soil, and general topography of the farm.

Each wheat producer will be informed of the acreage allotment for his farm in advance of the wheat marketing quota referendum on July 20. A two-thirds vote approving the quotas is

necessary if the quotas are to be in effect.

The 1957 acreage allotments for the 36 commercial wheat States, compared with the 1956 allotments (in parentheses), follow: Arkansas 53,479 acres (47,433 acres); California 436,142 (455,719); Colorado 2,766,025 (2,702,237); Delaware 33,601 (36,370); Georgia 103,143 (105,624); Idaho 1,156,480 (1,159,816); Illinois 1,414,575 (1,384,461); Indiana 1,144,137 (1,166,484); Iowa 115,485 (139,443); Kansas 10,615,188 (10,587,206); Kentucky 213,891 (219,495); Maryland 178,898 (187,546); Michigan 957,020 (969,478); Minnesota 699,354 (726,503); Missouri 1,253,735 (1,163,686); Montana 4,042,623 (4,002,138); Nebraska 3,234,827 (3,200,332); New Jersey 53,859 (55,141); New Mexico 470,705 (465,924); New York 317,602 (312,175); North Carolina 284,254 (283,395); North Dakota 7,327,856 (7,321,263); Ohio 1,558,108 (1,594,233); Oklahoma 4,878,623 (4,860,057); Oregon 819,060 (819,522); Pennsylvania 600,754 (620,185); South Carolina 136,151 (133,488); South Dakota 2,746,578 (2,749,275); Tennessee 198,701 (199,261); Texas 4,149,071 (4,227,136); Utah 314,303 (314,994); Virginia 252,514 (261,043); Washington 1,994,450 (2,009,033); West Virginia 40,030 (42,956); Wisconsin 40,215 (45,147); Wyoming 238,678 (303,725).

## Noncommercial States

The 12 noncommercial wheat States are: Alabama, Arizona, Connecticut, Florida, Louisiana, Maine, Massachusetts, Mississippi, Nevada, New Hampshire, Rhode Island, and Vermont.

As authorized by legislation, those States having wheat allotments of 25,000 acres or less have been designated as "noncommercial wheat areas." Farm wheat allotments and marketing quotas, if approved, do not apply in these noncommercial areas, which are the same for 1957 as for 1956.

# Farmers Benefit Even When Buyers Use Crop and Livestock Reports

Why does a circus or an automobile manufacturing plant use crop and livestock reports and how does this help farmers?

Crop estimates made during the growing season help farmers by making it possible for the railroads, trucking industries, mills, elevators, gins, and so on, to take care of your crops properly.

Farmers benefit directly when you use crop and livestock reports in your planning and marketing programs. You benefit indirectly when the buyer uses these reports.

## Speculation Is Costly

If the buyer did not know about prospective supply and demand, he would have to pay less than he could otherwise because of his uncertainty.

Speculation thrives on uncertainty and adds to the cost of marketing. When *all* of the facts are known, there is less speculation.

Farmers, farmers' cooperative organizations, dealers in agricultural products, sales departments of industrial concerns that sell everything from soap to automobiles, all use the reports in some way.

Banking institutions study the USDA estimates of crop acreages and crop prospects and of livestock numbers and production as a guide to the demand for funds that may be required to assist farmers through the producing and the marketing seasons.

Railroads use the crop reports as a guide in allocating the supply of freight cars. Manufacturers, merchants, dealers, and businessmen use the reports in planning their operations so that the machinery, farm equipment, and supplies will be available to farmers when and where needed.

The sales department of at least one of the well-known automobile manufacturers uses Government reports in locating areas of rural prosperity. One of the large lumber companies uses crop and livestock reports as a basis for making changes in its sales program.

The statistical department of one of the largest soap manufacturers makes extensive use of cotton and hog reports as the basis for its purchasing program. One small circus often uses crop reports in planning its itinerary.

The great importance of basic agricultural information makes necessary a wide and accurate understanding of the problems and difficulties of crop and livestock estimating.

The accuracy of forecasts made early in the season must necessarily be judged by the crop prospects at that time rather than by the harvest 3 or 4 months later. Losses may result from a severe early freeze. Floods or hail sometimes destroy crops on sizable acreages within a few days or even a few hours.

On the other hand, absence of usually damaging factors, such as no frosts for several weeks after the usual time, may add several hundred thousand bushels to the corn crop or many bales to the cotton crop. Such influences on crop production obviously cannot be foreseen.

## Send Your Reports

The nearest approach to accuracy attainable is the goal of the Crop Reporting Service. The thousands of farmers who observe the growing crops and who regularly and promptly mail in their questionnaires on their crop and livestock conditions are the main key toward meeting our goal.

R. K. Smith, *Vice Chairman  
Crop Reporting Board, AMS*

# FACTS HELP YOU MARKET YOUR PRODUCTS



*RAILROADS AND TRUCKING FIRMS  
CAN HANDLE YOUR ORDERS  
ON TIME . . . . .*



*PROCESSORS KNOW  
WHAT TO EXPECT . . . . .*



*DEALERS CAN PLAN AHEAD . .*

*and*

**LESS RISKS FOR THE  
TRADE MEAN BETTER  
PRICES FOR YOU**

**Your Crop and Livestock Reporting Service**



U. S. DEPARTMENT OF AGRICULTURE  
AGRICULTURAL MARKETING SERVICE

## FARMERS' PRICES

Indexes (1910-14=100)	1955		1956			
	June	Year (average)	March	April	May	June
Prices received by farmers-----	241	236	228	235	242	247
Parity index (prices paid, interest, taxes, and wage rates)-----	282	281	282	284	286	286
Parity ratio-----	85	84	81	83	85	86



# Plentiful Foods

MONTHLY LIST

August

Turkeys, broilers, and fryers are featured.

Other plentifuls are:

Beef . . . Milk and other dairy products . . . Fresh plums . . . Fresh Bartlett pears . . . Fresh and processed lemons . . . Summer vegetables . . . Peanut butter . . . Rice.

These foods have been selected by the U. S. Department of Agriculture to receive merchandising and promotional help in August under the Plentiful Foods Program.

## Turkey Time

Turkey growers have the support of USDA this year in the industry's annual "Midsummer Turkey Time" promotion, July 26 to August 4. Crop forecasts indicate an exceptionally heavy supply of turkeys at this time. To help back up the campaign, USDA has produced a 1-minute public service television film which calls consumers' attention to the many ways they can use turkey in their meals.

### Farmer's share of consumer's food dollar

May 1956	41 percent
April 1956	40 percent
May 1955	41 percent

UNITED STATES  
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AGRICULTURAL MARKETING SERVICE  
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